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[Additional Counsel on Signature Page]

**UNITED STATES DISTRICT COURT  
CENTRAL DISTRICT OF CALIFORNIA**

WILLIAM A. SOKOLOWSKI,

Plaintiff,

v.

MANOUCHEHR MOSHAYEDI, ET  
AL.,

Defendants,

and

STEC, INC., a California Corporation,

Nominal Defendant.

Case No. 12-civ-1862-JVS(MLGx)

**JOINT STIPULATION  
REGARDING SETTLEMENT  
AGREEMENT AND DISMISSAL  
OF ACTIONS**

Judge: Hon. James V. Selna  
Ctrm. 10C

1 WILLIAM A. SOKOLOWSKI,

2 Plaintiff,

3 v.

Case No. 13-CV-01277-JVS (ANx)

4 WESTERN DIGITAL CORP., *et al.*,

5 Defendants,

6 and

7 STEC, INC., a California Corporation,

8 Nominal Defendant.

9  
10 Plaintiff in the above-captioned actions, William A. Sokolowski, on behalf  
11 of himself, by and through his counsel of record (“Plaintiffs’ Counsel”) and  
12 defendants in *Sokolowski v. Moshayedi*, No. 12-CV-01862-JVS (ANx)  
13 (“*Sokolowski I*”), Manouch Moshayedi, Mehrdad Moshayedi, Raymond D. Cook,  
14 Rajat Bahri, Robert M. Saman, Masoud Moshayedi, Dan Moses, F. Michael Ball,  
15 Matthew Witte, Christopher Colpitts, Mehrdad Moshayedi Trust, Manouch  
16 Moshayedi Trust, Masoud Moshayedi Trust, and Nominal Defendant sTec, Inc.  
17 (“sTec”), by and through their counsel of record; and defendants in *Sokolowski v.*  
18 *Western Digital Corp.*, No. 13-CV-01277-JVS (ANx) (“*Sokolowski II*”), Western  
19 Digital Corporation, Lodi Ventures, Inc., Kevin C. Daly, Manouch Moshayedi,  
20 Mehrdad Moshayedi, Rajat Bahri, F. Michael Ball, Matthew Witte, Christopher  
21 Colpitts, and Nominal Defendant sTec, Inc., by and through their counsel of record  
22 (collectively, the “Parties”), hereby stipulate as follows:

23 WHEREAS, Plaintiff filed *Sokolowski I* on October 25, 2012;

24 WHEREAS, on June 23, 2013, sTec announced that it had entered into an  
25 Agreement and Plan of Merger with Western Digital Corporation and its wholly-  
26 owned subsidiary, Lodi Ventures, Inc. (collectively, “Western Digital”), pursuant  
27 to which holders of sTec’s common stock would receive \$6.85 per share in cash;

1 WHEREAS, between June 26, 2013 and July 11, 2013, seven stockholders  
 2 of sTec filed purported class action lawsuits on behalf of themselves and all others  
 3 similarly situated in the Superior Court of the State of California, County of  
 4 Orange, against sTec, the members of sTec's Board of Directors, and Western  
 5 Digital (the "Orange County Actions");

6 WHEREAS, Plaintiff filed *Sokolowski II* on August 21, 2013;<sup>1</sup>

7 WHEREAS, on September 11, 2013, the parties in the Orange County  
 8 Actions executed a memorandum of understanding on terms to settle all of the  
 9 claims asserted by the plaintiffs in those actions;

10 WHEREAS, on September 12, 2013, sTec was acquired by HGST, Inc., a  
 11 subsidiary of Western Digital, Inc.;

12 WHEREAS, following sTec's acquisition, Plaintiff's counsel acknowledged  
 13 that Plaintiff had lost standing to pursue the derivative claims asserted in  
 14 *Sokolowski I*, but indicated his intention to pursue the remaining, direct claims (*see*  
 15 Dkt # 47);<sup>2</sup>

16 WHEREAS, on November 5, 2013, the defendants in *Sokolowski II* filed a  
 17 motion to dismiss the action in its entirety on the grounds that the complaint in that  
 18 action failed to state a claim upon which relief can be granted. As of this date, that  
 19 motion is still pending;

20 WHEREAS, the parties have concluded that it is desirable that the Actions  
 21 be fully and finally settled and have reached a settlement agreement effective  
 22 January 6, 2014.

23  
 24  
 25 <sup>1</sup> The *Sokolowski I* and *Sokolowski II* cases are collectively referred to herein as the  
 "Actions."

26 <sup>2</sup> Plaintiff's complaint in *Sokolowski I* was formally consolidated with *In re sTec,*  
 27 *Inc. Derivative Litigation*, No. 10-CV-00667-JVS, by order on January 23, 2013.  
 28 Dkt # 39. The claims asserted by the lead plaintiff in that case were voluntarily  
 dismissed as reflected in this Court's October 17, 2013 dismissal order (Dkt # 46).

1           WHEREFORE, the Parties hereby stipulate and jointly request that the Court  
2 enter Orders in the *Sokolowski I* and *II* actions, respectively:

3           (1) dismissing all of the remaining claims in the *Sokolowski I* Action, No.  
4 12-CV-01862-JVS (ANx) with prejudice; and

5           (2) dismissing with prejudice the *Sokolowski II* Action, No. 13-CV-01277-  
6 JVS (ANx).

7  
8 IT IS SO STIPULATED.

9 DATED: January 8, 2014

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25 DATED: January 8, 2014

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1 DATED: January 8, 2014

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12 *Christopher Colpitts, and Nominal*  
13 *Defendant sTec, Inc.*

14 DATED: January 8, 2014

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25 DATED: January 8, 2014

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